

API 5125  
Macroeconomics

Vocabulary and structure of the video on  
REFORM OF THE INTERNATIONAL MONETARY AND FINANCIAL SYSTEM  
Policy Innovations, Carnegie Council, October 14, 2009

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4:20 minutes

Koenders introduction of the session

- Capital flows
- Bonuses, perverse incentives
- Countercyclical policies
- Expansionary policies

11:45 minutes

Stiglitz begins

- ex ante
- inequality

17:00 minutes

Stiglitz critiques proposed G20 reforms

- Offers a test to assess the effectiveness of policy proposals based on the idea of a “counterfactual”
- the fed
- a model of the economy
- bubble
- risk
- capital market
- surpluses

25:00 minutes

Stiglitz starts summarizing the recommendations of the report -- microeconomics

- bad incentives
- incentive structures
- incentives matter
- financial sector
- transaction costs
- the problem of incentives
- moral hazard problem
- capital market liberalization
- IMF
- East Asian Crisis

31:02 minutes

Stiglitz starts offering a macroeconomic analysis and summarizing macroeconomic policy recommendations

- macroeconomics
- housing bubble
- consumption binge
- central banks
- insufficiency of aggregate demand
- inequality
- median household income
- debt financed spending
- reserves
- precautionary savings
- paradox of thrift
- global aggregate demand
- global reserve currency
- Keynes
- Bretton Woods

36:00 minutes

Stiglitz talks about global co-ordination

- G-8
- G-20

38:17 minutes

Stiglitz starts concluding

- financial service tax
- subsidizing the financial sector
- externalities
- fiscal instruments
- short-run
- long-run

41:00 minutes

End